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Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No 1545-0047

2009

Open to Public
Inspection

► The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning

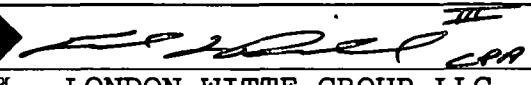
and ending

B Check if applicable	C Name of organization LAGRANGE COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION		D Employer identification number 35-0457973	
<input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type Doing Business As Number and street (or P.O. box if mail is not delivered to street address) 1995 E US HIGHWAY 20		Room/suite	E Telephone number 260-463-7165
See Specific Instructions	City or town, state or country, and ZIP + 4 LAGRANGE, IN 46761			G Gross receipts \$ 11,059,121.
F Name and address of principal officer: MARK LEU			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (12) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
J Website: ► N/A			H(c) Group exemption number ►	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►			L Year of formation: 1936 M State of legal domicile: IN	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE EFFICIENT AND RELIABLE ELECTRIC SERVICE TO OUR MEMBERS		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5 Total number of employees (Part V, line 2a)	5	22
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	5,000.
b Net unrelated business taxable income from Form 990-T, line 34	7b	4,000.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	
	9 Program service revenue (Part VIII, line 2g)	Current Year	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,333,681.	10,676,312.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	221,987.	23,342.
	12 Total revenue Add lines 8 through 11 (must equal Part VIII, column (A), line 12)	348,686.	355,177.
		10,904,354.	11,054,831.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)	401,978.	
	b Total fundraising expenses (Part IX, column (D), line 25) ►	368,154.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	10,123,072.	
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	10,525,050.	
19 Revenue less expenses. Subtract line 18 from line 12	10,379,304.		
	10,260,328.		
	10,628,482.		
	426,349.		
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	
	21 Total liabilities (Part X, line 26)	End of Year	
	22 Net assets or fund balances Subtract line 21 from line 20	21,191,160.	21,599,801.
		10,365,487.	10,458,517.
	10,825,673.	11,141,284.	

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
	Signature of officer MARK LEU, EXECUTIVE VP/ GENERAL MANAGER			
	Type or print name and title			
Paid Preparer's Use Only	Preparer's signature ► 	Date 5/4/10	Check if self-employed ► <input type="checkbox"/>	Preparer's identifying number (see instructions) P00987829
	Firm's name (or yours if self-employed), address, and ZIP + 4 ► LONDON WITTE GROUP LLC 1776 N MERIDIAN ST, STE 500 INDIANAPOLIS, IN 46202	EIN ► 36-3163136		
		Phone no. ► 317-634-4747		

May the IRS discuss this return with the preparer shown above? (see instructions)

 Yes NoP
S

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Form 990 (2009)

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Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

AS A MEMBER OWNED, NON-PROFIT SERVICE ORGANIZATION, OUR MISSION IS TO PROVIDE EFFICIENT AND RELIABLE ELECTRIC SERVICE TO OUR MEMBERS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 10,628,482. including grants of \$) (Revenue \$ 11,023,941.)
DISTRIBUTION OF ELECTRICITY TO RURAL CUSTOMERS

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 10,628,482.

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Part IV Checklist of Required Schedules

- 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)?
If "Yes," complete Schedule A
- 2 Is the organization required to complete Schedule B, Schedule of Contributors?
- 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I
- 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II
- 5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III
- 6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I
- 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II
- 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III
- 9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV
- 10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V
- 11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable
 - Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.
 - Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII
 - Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.
 - Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.
 - Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.
 - Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X
- 12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.
- 12A Was the organization included in consolidated, independent audited financial statements for the tax year?
If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional
- 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E
- 14a Did the organization maintain an office, employees, or agents outside of the United States?
 - b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I
- 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II
- 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III
- 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I
- 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II
- 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III
- 20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H

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Part IV Checklist of Required Schedules (continued)

21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II

22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III

23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J

24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K If "No", go to line 25

b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?

c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?

d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?

25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I

b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I

26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II

27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III

28 Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)

a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV

b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV

c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV

29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M

31 Did the organization liquidate, terminate, or dissolve and cease operations?
If "Yes," complete Schedule N, Part I

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II

33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I

34 Was the organization related to any tax-exempt or taxable entity?
If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1

35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?
If "Yes," complete Schedule R, Part V, line 2

36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization?
If "Yes," complete Schedule R, Part V, line 2

37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI

38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?
Note. All Form 990 filers are required to complete Schedule O.

	Yes	No
21		X
22		X
23		X
24a		X
24b		
24c		
24d		
25a		
25b		
26		X
27		X
28a		X
28b		X
28c		X
29		X
30		X
31		X
32		X
33		X
34	X	
35		X
36		
37		X
38	X	

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Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns Enter -0- if not applicable	1a	8
1b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	22
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)</i>	2b X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a X	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a X	
b If "Yes," enter the name of the foreign country: ► See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a X	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b X	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a X	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).	7a X	
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d If "Yes," indicate the number of Forms 8282 filed during the year	7e X	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f X	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g X	
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7h X	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	8	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
9 Sponsoring organizations maintaining donor advised funds.	9b	
a Did the organization make any taxable distributions under section 4966?	10a	
b Did the organization make a distribution to a donor, donor advisor, or related person?	10b	
10 Section 501(c)(7) organizations. Enter:	11a 10676312.	
a Initiation fees and capital contributions included on Part VIII, line 12	11b 347,629.	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	12a	
11 Section 501(c)(12) organizations. Enter:	12b	
a Gross income from members or shareholders	12a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	12b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body	7	
1b	Enter the number of voting members that are independent	6	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990	
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	
13	Does the organization have a written whistleblower policy?	
14	Does the organization have a written document retention and destruction policy?	X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?	
a	The organization's CEO, Executive Director, or top management official	X
b	Other officers or key employees of the organization	X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	X
16b		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed ► IN
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply
	<input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► MARK LEU - 260-463-7165
	1995 E US HIGHWAY 20, LAGRANGE, IN 46761

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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees, officers, key employees, highest compensated employees, and former such persons.

Check this box if the organization did not compensate any current officer, director, or trustee

(A) **(B)** **(C)** **(D)**

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Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

1b Total

213,719.

0.

0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ►

0

3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

Yes	No
	X
	X
	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization **NONE**

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Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns b Membership dues c Fundraising events d Related organizations e Government grants (contributions) f All other contributions, gifts, grants, and similar amounts not included above g Noncash contributions included in lines 1a-1f \$ h Total. Add lines 1a-1f ►				
Program Service Revenue	2 a ELECTRIC SALES b c d e f All other program service revenue g Total. Add lines 2a-2f ►	Business Code 221000	10676312.	10676312.	
	3 Investment income (including dividends, interest, and other similar amounts) ► 4 Income from investment of tax-exempt bond proceeds ► 5 Royalties ►		27,632.	22,632.	5,000.
	6 a Gross Rents b Less: rental expenses c Rental income or (loss) d Net rental income or (loss) ► 7 a Gross amount from sales of assets other than inventory b Less cost or other basis and sales expenses c Gain or (loss) d Net gain or (loss) ► 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 b Less: direct expenses c Net income or (loss) from fundraising events ► 9 a Gross income from gaming activities See Part IV, line 19 b Less direct expenses c Net income or (loss) from gaming activities ► 10 a Gross sales of inventory, less returns and allowances b Less: cost of goods sold c Net income or (loss) from sales of inventory ► Miscellaneous Revenue	(i) Real (i) Personal (i) Securities (ii) Other a b c d e f g h i j k l m n o p q r s t u v w x y z		-4,290.	-4,290.
Other Revenue	11 a PATRONAGE REVENUE b RENT FROM ELECTRIC PRO c MERCHANDISING INCOME d All other revenue e Total. Add lines 11a-11d ► 12 Total revenue. See instructions. ►	Business Code 900000 221000 900000 11054831.	328,348. 25,890. 939. 355,177. 11023941.	328,348. 25,890. 939. 5,000.	25,890. 25,890.

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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	213,719.			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	154,417.			
9 Other employee benefits	18.			
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	71,357.			
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	563,912.			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	748,705.			
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PURCHASED POWER	6,414,406.			
b EQUIPMENT RENTAL & MAIN	1,017,383.			
c CUSTOMER ACCOUNT EXPENS	650,181.			
d OPERATIONS EXPENSE	502,380.			
e TAX	149,190.			
f All other expenses	142,814.			
25 Total functional expenses. Add lines 1 through 24f	10,628,482.			
26 Joint costs. Check here ► <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Form 990 (2009)

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Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	284,742.	1	861,803.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,219,157.	4	1,136,973.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	283,245.	8	241,885.
	9 Prepaid expenses and deferred charges	85,239.	9	83,349.
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 24,519,699.		
	b Less: accumulated depreciation	10b 7,915,951.	10c 17,017,025.	10c 16,603,748.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities See Part IV, line 11	2,298,974.	12	2,670,077.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	2,778.	15	1,966.
	16 Total assets. Add lines 1 through 15 (must equal line 34)	21,191,160.	16	21,599,801.
Liabilities	17 Accounts payable and accrued expenses	1,294,846.	17	1,519,364.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	8,710,249.	23	8,566,462.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	360,392.	25	372,691.
	26 Total liabilities. Add lines 17 through 25	10,365,487.	26	10,458,517.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0.	30	0.
	31 Paid-in or capital surplus, or land, building, or equipment fund	2,682.	31	2,682.
	32 Retained earnings, endowment, accumulated income, or other funds	10,822,991.	32	11,138,602.
	33 Total net assets or fund balances	10,825,673.	33	11,141,284.
	34 Total liabilities and net assets/fund balances	21,191,160.	34	21,599,801.

Form 990 (2009)

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Form 990 (2009)

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Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?
b Were the organization's financial statements audited by an independent accountant?
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both
 Separate basis Consolidated basis Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No 1545-0047

2009

Open to Public
Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III.

Name of organization	LAGRANGE COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION	Employer identification number
		35-0457973

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV. ► \$ 1,000.
- 2 Political expenditures ► \$ 0.
- 3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ► \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ 1,000.
- 3 Total exempt function expenditures Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ► \$ 1,000.
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

SEE PART IV FOR CONTINUATION

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
FRIENDS OF RURAL ELECTRIFICATION	INDIANAPOLIS, IN 46214	35-1998087	0.	0.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2009

LHA

LAGRANGE COUNTY RURAL ELECTRIC
SCHEDULE C (Form 990 or 990-EZ) 2009 **MEMBERSHIP CORPORATION**

35-0457973 Page 2

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check if the filing organization belongs to an affiliated group

B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)

1a Total lobbying expenditures to influence public opinion (grass roots lobbying)

b Total lobbying expenditures to influence a legislative body (direct lobbying)

c Total lobbying expenditures (add lines 1a and 1b)

d Other exempt purpose expenditures

e Total exempt purpose expenditures (add lines 1c and 1d)

f Lobbying nontaxable amount Enter the amount from the following table in both columns

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over \$500,000	20% of the amount on line 1e
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000	\$1,000,000

g Grassroots nontaxable amount (enter 25% of line 1f)

h Subtract line 1g from line 1a. If zero or less, enter -0-

i Subtract line 1f from line 1c If zero or less, enter -0-

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

Yes No

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2009

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Schedule C (Form 990 or 990-EZ) 2009

35-0457973 Page 3

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities? If "Yes," describe in Part IV			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

1 Dues, assessments and similar amounts from members	1
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	
a Current year	2a
b Carryover from last year	2b
c Total	2c
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4
5 Taxable amount of lobbying and political expenditures (see instructions)	5

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1. Also, complete this part for any additional information.

PART I-A, LINE 1:

CASH CONTRIBUTION TO FORE

PART I-C CONTINUATION FOR INCOMPLETE NAME/ADDRESS INFORMATION:

FRIENDS OF RURAL ELECTRIFICATION

720 N HIGH SCHOOL RD INDIANAPOLIS, IN 46214

Schedule C (Form 990 or 990-EZ) 2009

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization **LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION** Employer identification number **35-0457973**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements
b Total acreage restricted by conservation easements
c Number of conservation easements on a certified historic structure included in (a)
d Number of conservation easements included in (c) acquired after 8/17/06

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

1b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____
(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____
b Assets included in Form 990, Part X ► \$ _____

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Schedule D (Form 990) 2009

35-0457973 Page 2

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations

- d Loan or exchange programs
- e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection?

Yes

No

Part IV Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

Yes

No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21?

Yes

No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ► _____ %

b Permanent endowment ► _____ %

c Term endowment ► _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization

by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

Yes	No
3a(i)	
3a(ii)	
3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	676,493.			676,493.
b Buildings				
c Leasehold improvements				
d Equipment				
e Other	23,843,206.		7,915,951.	15,927,255.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

► 16,603,748.

Schedule D (Form 990) 2009

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Schedule D (Form 990) 2009

35-0457973 Page 3

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
<u>LAGRANGE COOP SERVICES LLC</u>	<u>1,000.</u>	<u>COST</u>
<u>CFC</u>	<u>97,060.</u>	<u>COST</u>
<u>WVPA</u>	<u>1,812,661.</u>	<u>COST</u>
<u>CADP</u>	<u>24,151.</u>	<u>COST</u>
<u>UUS</u>	<u>83,506.</u>	<u>COST</u>
<u>FEDERATED</u>	<u>67,082.</u>	<u>COST</u>
<u>ISWA</u>	<u>13,039.</u>	<u>COST</u>
<u>ISWA BUILDING</u>	<u>43,354.</u>	<u>COST</u>
<u>SEDC</u>	<u>25,917.</u>	<u>COST</u>
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ►	2,670,077.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13

Part IX Other Assets See Form 990, Part X, line 15

Total. (Column (b) must equal Form 990, Part X, col (B) line 15)

Part X Other Liabilities. See Form 990, Part X, line 25.

2 FIN 48 Footnote. In Part XIV, provide the text of the footnote.

372,691.

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48. **SEE PART XIV FOR CONTINUATIONS**

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

35-0457973 Page 4

Schedule D (Form 990) 2009

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1 Total revenue (Form 990, Part VIII, column (A), line 12)	1	11,054,831.
2 Total expenses (Form 990, Part IX, column (A), line 25)	2	10,628,482.
3 Excess or (deficit) for the year. Subtract line 2 from line 1	3	426,349.
4 Net unrealized gains (losses) on investments	4	
5 Donated services and use of facilities	5	
6 Investment expenses	6	
7 Prior period adjustments	7	
8 Other (Describe in Part XIV.)	8	-110,738.
9 Total adjustments (net) Add lines 4 through 8	9	-110,738.
10 Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	315,611.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1 Total revenue, gains, and other support per audited financial statements	1	11,054,831.
2 Amounts included on line 1 but not on Form 990, Part VIII, line 12.		
a Net unrealized gains on investments	2a	
b Donated services and use of facilities	2b	
c Recoveries of prior year grants	2c	
d Other (Describe in Part XIV.)	2d	
e Add lines 2a through 2d	2e	0.
3 Subtract line 2e from line 1	3	11,054,831.
4 Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b Other (Describe in Part XIV.)	4b	
c Add lines 4a and 4b	4c	0.
5 Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	11,054,831.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1 Total expenses and losses per audited financial statements	1	10,628,482.
2 Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a Donated services and use of facilities	2a	
b Prior year adjustments	2b	
c Other losses	2c	
d Other (Describe in Part XIV.)	2d	
e Add lines 2a through 2d	2e	0.
3 Subtract line 2e from line 1	3	10,628,482.
4 Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b Other (Describe in Part XIV.)	4b	
c Add lines 4a and 4b	4c	0.
5 Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	10,628,482.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4; Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information

ADJUSTMENTS ARE FOR UNCLAIMED PATRONAGE CHECKS, CHANGE IN OTHER

COMPREHENSIVE INCOME, AND PATROANGE PAID IN CURRENT YEAR.

Part XIV **Supplemental Information (continued)**

Part VII Investments - Other Securities. See Form 990, Part X, line 12

SCHEDULE O

(Form 990)

Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990.

OMB No. 1545-0047

2009Open to Public
Inspection

Name of the organization

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATIONEmployer identification number
35-0457973

FORM 990, PART VI, SECTION A, LINE 6: THE REMC'S MEMBERS CONSIST OF THOSE WHO RECEIVE ELECTRICITY FROM THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A: THE REMC'S TERRITORY IS DIVIDED UP INTO DISTRICTS AND THERE IS ONE BOARD MEMBER THAT REPRESENTS EACH DISTRICT. THE BOARD IS ELECTED BY THE MEMBERS OF THE REMC.

FORM 990, PART VI, SECTION B, LINE 11: THE 990 WILL BE REVIEWED BY THE BOARD AT THEIR MONTHLY MEETING BEFORE IT IS FILED.

FORM 990, PART VI, SECTION B, LINE 12C: THE EMPLOYEES OF THE ORGANIZATION WERE MADE AWARE OF THE POLICY. THE BOARD OF DIRECTORS AS WELL AS THE OFFICERS PERIODICALLY REVIEW THE POLICY AND EMPLOYEES RELATIONSHIPS TO MAKE SURE THAT THERE IS NOT A BREECH.

FORM 990, PART VI, SECTION B, LINE 15: SALARIES ARE EVALUATED AGAINST THE NRECA NATIONAL COMPENSATION SURVEY TO DETERMINE ANNUAL RAISES.

FORM 990, PART VI, SECTION C, LINE 19: GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIALS STATEMENTS ARE AVAILABLE UPON REQUEST BY MEMBERS. THEY ARE ALL LOCATED AT THE REMC HEADQUARTERS.

Name of the organization LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

Part III Identification of R organizations treat

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportion- ate allocations?	(i) Code V-JBL amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?
Yes	No								

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
LAGRANGE COOP SERVICES LLC - 35-2136351	MARKETING OF LONG DISTANCE SERVICE	IN	LAGRANGE COUNTY REVC	C CORP	7,045.	6,692.	100%
1995 E US HIGHWAY 20							
LAGRANGE, IN 46761							

LAGRANGE COUNTY RURAL ELECTRIC
MEMBERSHIP CORPORATION

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- l Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses
- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization(s)	(b) Transaction type (a-r)	(c) Amount involved
1 (1) LAGRANGE COUNTY COOP SERVICES LLC	N	0.
2		
3		
4		
5		
6		

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?	(e) Share of end-of- year assets	(f) Dispropor- tionate allocations?	(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
							Yes	No